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UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE	:	
COMMISSION	:	
	:	Civ. No. 15 CV 894 (WHP) (JLC)
Plaintiff,	:	
	:	
v.	:	
	:	
CALEDONIAN BANK LTD.,	:	
CALEDONIAN SECURITIES LTD.,	:	ANSWER AND
CLEAR WATER SECURITIES, INC.,	:	<u>DEFENSES</u>
LEGACY GLOBAL MARKETS S.A., and	:	
VERDMONT CAPITAL, S.A.,	:	
	:	
Defendants.	:	
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Defendant Verdmont Capital, S.A. (“Verdmont”), by and through its attorneys Carter Ledyard & Milburn LLP, answers the complaint of the Securities and Exchange Commission (“Plaintiff”) dated and filed February 6, 2015 (the “Complaint”) as follows:

1. Paragraph 1 of the Complaint contains legal conclusions and Plaintiff’s characterization of the case as to which no response is required. To the extent a response is required, Verdmont denies the allegations contained in paragraph 1 of the Complaint, except

denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 1 as to defendants Caledonian Bank Ltd. (“Caledonian Bank”), Caledonian Securities Ltd. (“Caledonian Securities”), Clear Water Securities, Inc. (“Clear Water”), and Legacy Global Markets, S.A. (“Legacy”, together with Caledonian Bank, Caledonian Securities and Clear Water, the “Other Defendants”) and respectfully refers to the registration statements on Form S-1 and the stock certificates referenced in paragraph 1 for a complete and accurate statement of their contents.

2. Paragraph 2 of the Complaint contains legal conclusions and requests for relief as to which no response is required. To the extent a response is required, Vermont denies the allegations contained in paragraph 2, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 2 as to the other Defendants.

3. Paragraph 3 of the Complaint contains legal conclusions as to which no response is required. To the extent a response is required, Vermont denies the allegations contained in paragraph 3, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 3 of the Complaint as to the Other Defendants.

4. Paragraph 4 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies the allegations contained in paragraph 4, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 4 of the Complaint as to the Other Defendants.

5. Paragraph 5 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies the allegations contained in paragraph 5, except denies knowledge and information sufficient to form a belief as to the truth

of the allegations in paragraph 5 of the Complaint as to the Other Defendants and admits that the Securities and Exchange Commission is the plaintiff in this case.

6. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 6 of the Complaint.

7. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 7 of the Complaint.

8. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 8 of the Complaint.

9. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 9 of the Complaint.

10. Vermont denies the allegations contained in paragraph 10 of the Complaint, except admits that it is a corporation duly organized under the laws of the Republic of Panama.

11. Paragraph 11 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies the allegations contained in paragraph 11 of the Complaint, and respectfully refers to applicable law and/or regulations for a complete and accurate statement of their provisions and requirements.

12. Paragraph 12 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies the allegations contained in paragraph 12 of the Complaint, and respectfully refers to applicable law and/or regulations for a complete and accurate statement of their provisions and requirements.

13. Paragraph 13 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies the allegations contained in

paragraph 13 of the Complaint, and respectfully refers to applicable law and/or regulations for a complete and accurate statement of their provisions and requirements.

14. Paragraph 14 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies the allegations contained in paragraph 14 of the Complaint, and respectfully refers to applicable law and/or regulations for a complete and accurate statement of their provisions and requirements.

15. Paragraph 15 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 15 of the Complaint.¹

16. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 16 of the Complaint.

17. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 17 of the Complaint.

18. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 18 of the Complaint.

19. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 19 of the Complaint.

20. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 20 of the Complaint.

21. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 21 of the Complaint.

¹ The heading preceding paragraph 15 of the Complaint contains legal conclusions as to which no response is required. To the extent a response is required, Vermont denies the allegations in the heading preceding paragraph 15 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in the heading preceding paragraph 15 of the Complaint as to the Other Defendants.

22. Paragraph 22 of the Complaint contains legal conclusions as to which no response is required. To the extent a response is required, Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 22.

23. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 23 of the Complaint.

24. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 24 of the Complaint.

25. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 25 of the Complaint.

26. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 26 of the Complaint.

27. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 27 of the Complaint.

28. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 28 of the Complaint.

29. Vermont denies knowledge and information sufficient to form a belief as to the allegations contained in paragraph 29 of the Complaint.

30. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 30 of the Complaint.

31. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 31 of the Complaint.

32. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 32 of the Complaint.

33. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 33 of the Complaint.

34. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 34 of the Complaint.

35. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 35 of the Complaint.

36. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 36 of the Complaint.

37. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 37 of the Complaint.

38. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 38 of the Complaint.

39. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 39 of the Complaint.

40. Paragraph 40 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies the allegations in paragraph 40 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 40 of the Complaint as to the Other Defendants.

41. Paragraph 41 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 41, except Vermont denies the allegations in paragraph 41 of the Complaint that are directed to Vermont and

respectfully refers to applicable law and/or regulations for a complete and accurate statement of their provisions and requirements.²

42. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 42 of the Complaint, and respectfully refers to the Form S-1 referenced in paragraph 42 for a complete and accurate statement of its contents.

43. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 43 of the Complaint, and respectfully refers to the Form S-1 referenced in paragraph 43 for a complete and accurate statement of its contents.

44. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 44 of the Complaint, and respectfully refers to the Form S-1 referenced in paragraph 44 for a complete and accurate statement of its contents.

45. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 45 of the Complaint, and respectfully refers to the Form S-1 and stock certificates referenced in paragraph 45 for a complete and accurate statement of their contents.

46. Vermont denies the allegations contained in paragraph 46 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in the first through fourth sentences in paragraph 46 of the Complaint and respectfully refers to the stock certificates, stock powers and board of directors resolution referenced in paragraph 46 for a complete and accurate statement of their contents.

² The heading preceding paragraph 41 of the Complaint contains legal conclusions as to which no response is required. To the extent a response is required, Vermont denies the allegations in the heading preceding paragraph 41 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in the heading preceding paragraph 41 of the Complaint as to the Other Defendants.

47. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 47 of the Complaint.

48. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 48 of the Complaint.

49. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 49 of the Complaint.

50. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 50 of the Complaint, except denies the allegation contained in paragraph 50 of the Complaint that “Verdmont’s 560,000 pre-split shares of Goff stock became 14,000,000 post-split shares.”

51. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 51 of the Complaint, and respectfully refers to the stock power, stock certificate, and memorandum referenced in paragraph 51 for a complete and accurate statement of their contents.

52. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 52 of the Complaint, and respectfully refers to the Report on Form 8-K referenced in paragraph 52 for a complete and accurate statement of its contents.

53. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 53 of the Complaint, and respectfully refers to the Report on Form 8-K referenced in paragraph 53 for a complete and accurate statement of its contents.

54. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 54 of the Complaint, and respectfully refers to the press releases referenced in paragraph 54 for a complete and accurate statement of their contents.

55. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 55 of the Complaint, and respectfully refers to the newsletter referenced in paragraph 55 for a complete and accurate statement of its contents.

56. Paragraph 56 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 56 of the Complaint.

57. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 57 of the Complaint, and respectfully refers to the press release referenced in paragraph 57 for a complete and accurate statement of its contents.

58. Verdmont denies the allegations contained in paragraph 58 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 58 of the Complaint as to the Other Defendants.

59. Paragraph 59 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Verdmont denies the allegations contained in paragraph 59 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 59 as to the Other Defendants.

60. Paragraph 60 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 60, and respectfully refers to the Form S-1 referenced in paragraph 60 for a complete and accurate statement of its contents.³

³ The heading preceding paragraph 60 of the Complaint contains legal conclusions as to which no response is required. To the extent a response is required, Verdmont denies the allegations in the heading preceding paragraph 60 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in the heading preceding paragraph 60 of the Complaint as to the Other Defendants.

61. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 61 of the Complaint, and respectfully refers to the Form S-1 referenced in paragraph 61 for a complete and accurate statement of its contents.

62. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 62 of the Complaint.

63. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 63 of the Complaint, and respectfully refers to the Form S-1, subsequent filings with the Commission, and stock certificates referenced in paragraph 63 for a complete and accurate statement of their contents.

64. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 64 of the Complaint, and respectfully refers to the stock certificate, stock powers, board of directors resolution and FedEx label referenced in paragraph 64 for a complete and accurate statement of their contents.

65. Vermont denies the allegations contained in paragraph 65 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in the second through fourth sentences in paragraph 65 of the Complaint.

66. Vermont denies the allegations contained in paragraph 66 of the Complaint.

67. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 67 of the Complaint, and respectfully refers to the Report on Form 8-K referenced in paragraph 67 for a complete and accurate statement of its contents.

68. Vermont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 68 of the Complaint, and respectfully refers to the Report on Form 8-K referenced in paragraph 68 for a complete and accurate statement of its contents.

69. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 69 of the Complaint.

70. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 70 of the Complaint, and respectfully refers to the press releases referenced in paragraph 70 for a complete and accurate statement of their contents.

71. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 71 of the Complaint, and respectfully refers to the newsletter referenced in paragraph 71 for a complete and accurate statement of its contents.

72. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 72 of the Complaint.

73. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 73 of the Complaint, and respectfully refers to the press release referenced in paragraph 73 for a complete and accurate statement of its contents.

74. Verdmont denies the allegations contained in paragraph 74 of the Complaint that are directed to Verdmont, denies knowledge and information sufficient to form a belief about the truth of the allegations in paragraph 74 as to the Other Defendants, and respectfully refers to the Form S-1 referenced in paragraph 74 for a complete and accurate statement of its contents.

75. Paragraph 75 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Verdmont denies the allegations contained in paragraph 75, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 75 as to the Other Defendants.

76. Paragraph 76 of the Complaint contains legal conclusions as to which no response is required. To the extent a response is required, Verdmont denies knowledge and information

sufficient to form a belief about the truth of the allegations in paragraph 76 of the Complaint, except Verdmont denies the allegations in paragraph 76 of the Complaint that are directed to Verdmont and respectfully refers to the Form S-1 referenced in paragraph 76 for a complete and accurate statement of its contents.⁴

77. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 77 of the Complaint, and respectfully refers to the Form S-1 referenced in paragraph 77 for a complete and accurate statement of its contents.

78. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 78 of the Complaint, and respectfully refers to the Form S-1 referenced in paragraph 78 for a complete and accurate statement of its contents.

79. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 79 of the Complaint, and respectfully refers to the Form S-1 and stock certificates referenced in paragraph 79 for a complete and accurate statement of their contents.

80. Verdmont denies the allegations contained in paragraph 80 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in the first through eighth sentences in paragraph 80 of the Complaint, and respectfully refers to the stock certificates, powers of attorney, and board of directors resolution referenced in paragraph 80 for a complete and accurate statement of their contents.

81. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 81 of the Complaint, and respectfully refers to the Report on

⁴ The heading preceding paragraph 76 of the Complaint contains legal conclusions as to which no response is required. To the extent a response is required, Verdmont denies the allegations in the heading preceding paragraph 76 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in the heading preceding paragraph 76 of the Complaint as to the Other Defendants.

Form 8-K, resume, and Pre-14C filing referenced in paragraph 81 for a complete and accurate statement of their contents.

82. Verdmont denies the allegations contained in paragraph 82 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegation that “Similar to Swingplane and Goff, in this same time period Xumanii announced a 5.5-for-1 forward stock split.”

83. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 83 of the Complaint.

84. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 84 of the Complaint, and respectfully refers to the Report on Form 8-K referenced in paragraph 84 for a complete and accurate statement of its contents.

85. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 85 of the Complaint, and respectfully refers to the press releases referenced in paragraph 85 for a complete and accurate statement of their contents.

86. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 86 of the Complaint, and respectfully refers to the newsletters referenced in paragraph 86 for a complete and accurate statement of their contents.

87. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 87 of the Complaint, and respectfully refers to the Report on Form 10-K and Report on Form 10-Q referenced in paragraph 87 for a complete and accurate statement of their contents.

88. Verdmont denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 88 of the Complaint, and respectfully refers to the Report on Form 8-K referenced in paragraph 88 for a complete and accurate statement of its contents.

89. Verdmont denies the allegations contained in paragraph 89 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 89 as to the Other Defendants.

90. Paragraph 90 of the Complaint contains legal conclusions to which no response is required. To the extent a response is required, Verdmont denies the allegations contained in paragraph 90 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 90 of the Complaint as to the Other Defendants.

91. Verdmont repeats and reiterates each and every response to Plaintiff's allegations contained in paragraphs 1 through 90 above as if fully set forth herein.

92. Verdmont denies the allegations contained in paragraph 92 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 92 as to the Other Defendants.

93. Verdmont denies the allegations contained in paragraph 93 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 93 as to the Other Defendants.

94. Verdmont denies the allegations contained in paragraph 94 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 94 as to the Other Defendants.

95. Verdmont denies the allegations contained in paragraph 95 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 95 as to the Other Defendants.

96. Verdmont denies the allegations contained in paragraph 96 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 96 as to the Other Defendants.

97. Verdmont denies the allegations contained in paragraph 97 of the Complaint, except denies knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 97 as to the Other Defendants.

FIRST DEFENSE

The Complaint fails to state a cause of action.

SECOND DEFENSE

Verdmont's actions are exempt from the registration requirement of the Securities Act of 1933, 15 U.S.C. §77b *et seq.*

THIRD DEFENSE

Plaintiff's claims are barred by the doctrines of estoppel and laches.

FOURTH DEFENSE

Plaintiff's claims are barred by the doctrine of unclean hands.

Dated: New York, New York
March 26, 2015

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